

Friends of the Museums of Florida History, Inc.
MEETING MINUTES
3:30 p.m., Thursday, November 15, 2018
Gallery for Innovation & the Arts (1st Floor)
R. A. Gray Building
500 South Bronough Street
Tallahassee, Florida 32399

Participants

Directors: Mr. Steve Birtman, Chair; Mr. Lester Abberger (on phone); Mr. John Boudet (on phone); Mr. Bill Carlson (on phone); Mr. Andrew Collins; Ms. Kathy Guilday; Mr. Bill Herrle; Ms. Lena Juarez; Mr. Jon Moyle (on phone); Ms. Laura Rogers

Staff: Ms. Lisa Barton; Dr. Jeana Brunson; Mr. Thomas Robinson; Ms. Kaitlin Silcox

Guest: Mr. Scott Hilton, Wells Fargo Financial Advisor; Mr. Brian Manuel, Carr, Riggs, and Ingram, CPAs

I. Call to Order

Mr. Birtman, Chair, called the meeting to order at 3:31 pm.

II. Introduction of Board, Staff, and Guests

Mr. Birtman welcomed all board members, staff members, and guests attending the meeting on the phone and in person. Meeting participants introduced themselves. Mr. Birtman made a motion to adopt the agenda.

III. Adoption of Agenda

MOTION TO PROCEED WITH AGENDA: Ms. Guilday

SECOND: Ms. Rogers

MOTION PASSED WITH NO OBJECTION

IV. Chair's Comments

Mr. Birtman welcomed everyone and stated how excited he was to lead his first meeting. Mr. Birtman stated he hoped everyone would stay for the *Surf's Up, Florida!* exhibit opening later in the evening. He also said he hoped to update the investment policy during his time as Chair as he thought that was a pressing need. He stated that there was a lot of talent between the staff and the Board and thought the CSO had a bright future because of that.

V. Consent Items

Mr. Birtman inquired if there were other questions about the items on the consent agenda. There were none, so he asked for a motion to approve.

Note: Consent items up for vote were provided to the Board in advance via email.

A. Meeting Minutes from June 11, 2018, quarterly board meeting

B. Minutes from the September 27, 2018 Fundraising Committee meeting

C. Financial Report through October 2018

MOTION TO APPROVE THE JUNE 11, 2018 MINUTES: Ms. Guilday

SECOND: Mr. Herrle

MOTION PASSED WITH NO OBJECTION

Mr. Birtman asked Ms. Rogers to speak about the Fundraising Committee before voting to adopt their minutes. Ms. Rogers related that the committee came up with ideas for a new membership program that would target higher level donors than the current membership program offers. Ms. Rogers stated that there would be benefits based upon giving level. Ms. Rogers requested that the Board members take a look at the draft membership program benefits and levels and comment.

Mr. Birtman asked Ms. Rogers what the next steps would be. Ms. Rogers stated that if the Board liked the membership levels and benefits, the next step would be to put together a packet that people could give out to potential donors throughout the state. Ms. Rogers stressed that she thought this would have to be a Board-driven initiative. Mr. Birtman agreed that it would take a “personal touch” in order to get larger donations. Ms. Guilday agreed, stating that Board members drove the larger donations that came in for a Napoleon exhibit.

The Board discussed the benefits in more detail. Mr. Birtman stated that he thought the potential benefit of getting behind the scenes tours could be useful. Mr. Herrle agreed and said that VIP tours might be useful to secure large donations as well. Ms. Guilday asked about the benefit of recognition in the museum lobby and wondered if it might be worthwhile to lower the threshold for that benefit since the program is new.

Ms. Rogers stated the goal was to increase annual giving. The proposed higher level membership program was not tied to sponsoring specific exhibits or events. The committee believes that staff should focus on raising sponsorships. Mr. Birtman stated that if Board members did not have any reservations, Ms. Rogers and the Fundraising Committee should move forward with their planning.

MOTION TO APPROVE THE FUNDRAISING COMMITTEE MINUTES: Ms. Guilday
SECOND: Mr. Herrle
MOTION PASSED WITH NO OBJECTION

Mr. Birtman asked if anyone had any questions or concerns regarding the financial report that staff provided. No Board members had any questions.

MOTION TO APPROVE FINANCIAL REPORT: Ms. Rogers
SECOND: Ms. Juarez
MOTION PASSED WITH NO OBJECTION

VI. Business Items
A. Financials

1. FY 2017-2018 FMFH Audit Report

Mr. Birtman introduced Mr. Manuel, who presented the audited financial statements for FY 17-18. Mr. Manuel went over the overall financial statements of the organization, stating that there was growth in the total assets over the previous fiscal year. Mr. Manuel did state that there was risk in the amount of inventory the History Shops had on hand. Mr. Manuel pointed out there were no big differences in the amount of revenue the organization brought in. Mr. Manuel stated that he felt the organization showed good practices when it came to sticking to the budget and not spending too much.

Mr. Collins asked what examples of in-kind contributions were. Mr. Manuel stated that all of the employees of the state are considered in-kind donations because they are actually paid by the State. Mr. Birtman asked about the amount of revenue coming in from parking in the garage. Ms. Barton said that the income is about the same as previous years. Ms. Silcox stated that on one of the financial reports that were provided in the Board notebook showed that parking income went up slightly in 2018 compared to 2017.

To end, Mr. Manuel said that the last several pages of the audit did not have substantial changes over previous years. Mr. Manuel stated the only thing to pay close attention to was the financial statements that focus on the endowments. Mr. Manuel said that was different than previous years because now the Cultural Endowment was fully in place.

Mr. Birtman asked if anyone on the Board had any questions for Mr. Manuel regarding the audit report. No members of the Board had any questions.

MOTION TO APPROVE THE FY 17-18 AUDIT: Ms. Guilday
SECOND: Mr. Collins
MOTION PASSED WITH NO OBJECTION

2. Endowments Progress Report

Mr. Birtman introduced Mr. Hilton, who handles the endowments for the FMFH. Mr. Hilton started by giving a broad overview of the financial picture over the past several months. Mr. Hilton said that the profits were very good for many months, but the current climate, due to tariffs, has seen a fundamental shift in the last six to eight weeks and that could impact all three endowments. Mr. Hilton said he is worried not about interest rates, but more about the value of the dollar and the current trade war between the United States and China. There will be a new round of tariffs in January that could be problematic if something is not resolved between the two countries soon.

Mr. Hilton then shifted to discussing each endowment. The Charles Knott endowment is down 4.9% so far this year. Mr. Hilton stated that taking our annual distribution out of the endowments earlier this year actually proved to be helpful given the current climate. Mr. Collins asked if the distributions were reinvested. Mr. Hilton stated that the distributions are taken out once a year to go toward program expenses, as well as maintenance. The James Knott account is down 3.2% so far this year. The James Knott is conservatively invested, mainly in bonds. Because bonds are down, that is why the James Knott is down overall. The Cultural Endowment has stayed consistent and should bring in some income during the current fiscal year. The Cultural Endowment is largely invested in six-month CDs that are reinvested at higher rates.

Mr. Hilton said that right now the investments would not be changed, but he would re-evaluate that on January 1, especially if no headway is made regarding the trade war.

Mr. Birtman stated that he knew Mr. Hilton was working on an updated investment policy and he was anxious to see that policy. Mr. Birtman stated that he would like to see Mr. Abberger and Mr. Collins look that policy over as well.

Mr. Birtman asked that if Mr. Hilton did make changes to the investments, was that something Mr. Hilton had to run by staff? Mr. Hilton stated that Mr. Birtman and Ms. Rogers would have to be contacted regarding any changes. Mr. Birtman also expressed interest in carving out money from the banking accounts to create non-endowment funds so that the funds are not just sitting in a bank account collecting little interest.

B. Update from Fundraising Committee

This was covered during the discussion of the Fundraising Committee minutes so Mr. Birtman stated the meeting could move forward without further discussion.

C. *Surf's Up, Florida* exhibit

Mr. Birtman called on Ms. Barton to give the Board an update on the *Surf's Up, Florida* exhibit. Ms. Barton discussed some of the educational programs that were going to be offered, including History at High Noon and Second Saturday programs. There were also evening programs set up for February and March and museum staff are trying to finalize details to show a documentary about the Hobgood brothers, champion surfers from Florida. Mr. Birtman said that he loved the pictures he has seen on Facebook regarding the exhibit.

Ms. Barton brought rack cards for Board members to give out to their friends and family. Mr. Birtman suggested having the rack cards in digital form so Board members could post them to their social media pages or share them via email.

VII. Other Business

A. Staff Updates

1. Florida's History Shops Updates - Ms. Silcox gave an update about new merchandise, most of which is tied to the surfing exhibit. Ms. Silcox related that finding surfing items was somewhat difficult, so much of the inventory that was purchased for the surfing exhibit is beach-themed. Ms. Silcox related that during evening events the shop started to offer a 20% discount to members rather than the standard 10% discount. The idea was to provide a further incentive to both attend evening events and make purchases in the shop.

Mr. Birtman had two questions for Ms. Silcox. He asked if the shop in the Capitol would see an increase in sales due to legislators being in town the following week as they begin orientation. Ms. Silcox stated that the shop in the Capitol did tend to see an increase in sales, especially of things such as lapel pins, which she got in stock recently. Ms. Rogers asked if the shop ever gave out information, such as a flyer, to incoming legislators. Ms.

Barton said the Department of State had a legislative liaison and the museum could reach out and see if giving a flyer or providing a coupon would be permissible.

Mr. Birtman's second question related to the concern Mr. Manuel brought up during his presentation on the audit. Mr. Birtman asked if Ms. Silcox was concerned about the amount of inventory the shops currently had. Ms. Silcox said she probably did buy more than she originally anticipated, but she thought sales would pick up in November and December due to the holidays. Mr. Birtman asked if school groups would effect that and Ms. Silcox said they would, but many of the school groups are not scheduled until the spring.

Ms. Rogers asked if anyone who buys a lot of merchandise in the shops are ever reached out to as prospective members. Ms. Silcox stated that often times the people who spend the most money in the shop typically are already members.

Mr. Birtman had a question for the staff as a whole, asking if everyone was satisfied with The Egg Express café. Mr. Birtman stated that he had friends who worked in the Gray Building who complained about wait time. Ms. Barton confirmed that wait time was often the biggest complaint regarding The Egg. Ms. Silcox stated that the manager is new and that has slowed things down. Mr. Birtman asked if we audit their rent to make sure it is accurate. Mr. Robinson stated The Egg has to fill out a tax form for the state with each rent check so that serves as a way to make sure their payments are accurate.

B. General Staff Updates

Mr. Birtman asked if there were any other staff updates. Dr. Brunson said that the Division of Administrative services is currently working on a project that is seeing the content management system of the websites for the division transitioned. This would allow each site to control their own website. Florida History Day is the next website to be transitioned.

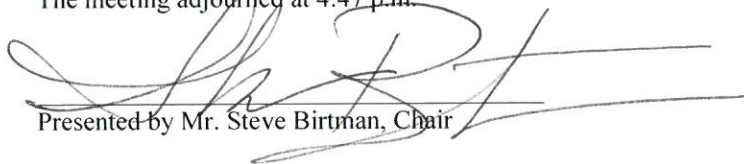
C. Wrap Up

Mr. Birtman stated that Mr. Hilton had some work to do in getting the investment policy up to date. Mr. Birtman stated the Fundraising Committee should continue to move forward and keep the Board engaged in the process.

VIII. Public Comment:

IX. Adjourn

The meeting adjourned at 4:47 p.m.



Presented by Mr. Steve Birtman, Chair

Dated: FEB 15, 2019